

February 14, 1996

Mr. J. V. Shelton
John Deere Company
2001 Deere Drive
Conyers, GA 30208-1598

Dear Joe:

A meeting was held February 13, 1996 to discuss your letter dated February 2, 1996. In attendance at this meeting were the sales staff, accounting department and myself. It has always been the goal of Richland Equipment Co., Inc. to be an above average dealer. It is our goal to do all within our power to not only fulfill the requirements of the John Deere Dealer Agreement, but to exceed the expectations. Every effort will be made by our sales staff to work with the Territory Team to develop a plan of action that will achieve the goals set forth in the 1996 Marketing Strategy. The first step in developing a plan is to ask that we receive more information and clarification of the following statements made in your letter.

- 1) List the names and telephone numbers of our Territory Team members.
- 2) Define territory area used to establish our territory average. The area as we understand it includes Adams, Amite, Franklin and Wilkinson Counties in Mississippi. We estimate that 30% to 40% of this area is covered by a National Forest. To our south only four miles away is the Louisiana State line and the border for the Dallas Branch. The Mississippi River is to the west and limits access to the areas across the river. Much of our sales are delivered into Louisiana and we understand that this is not considered in our territory average. We would like to review the territory boundaries and discuss the geographics of the territory.
- 3) Provide a copy of the 1996 Dealership Marketing Strategy for our review.
- 4) What series of tractors are considered Agricultural whole goods settlements? Some 5000 series and rotary cutters have been sold as Lawn and Grounds Care contracts. Are these contracts included in the percentage of agricultural whole goods contracts. Are these contracts included in the percentage of agricultural whole goods settlements.
- 5) What dealerships are we being compared to? Are we compared to other DAC dealers.
- 6) What goods are considered usable in our area of responsibility?
- 7) What basis is used to establish the 17.8% market share in our area of responsibility?

After receiving and reviewing the requested information we will be eager to schedule a meeting with our Territory Team to discuss a strategy to achieve our marketing goals for 1996.



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During 1995, we increased our advertising. Most media that services our area is out of Baton Rouge, LA which is approximately fifty miles away. Jackson, MS is 150 miles away so most media do not service our area of responsibility. The territory team may be able to suggest a better plan for more efficient advertising in our territory area. Also during 1995 we added a toll free telephone line to encourage customers out of our calling area.

The sales staff have made a commitment to increasing calls in Amite, Adams, Franklin and Wilkinson Counties beginning immediately. We do not agree that our sales representation in these areas has been unacceptable but agree that improvement in this area is an achievable goal.

We are willing to make the financial and manpower commitment needed to make Richland Equipment Co., Inc. a growing and profitable business. We look forward to working with the Territory Team and John Deere Company to providing us with the support, quality goods and competitive pricing programs we need to succeed.

Sincerely,

RICHLAND EQUIPMENT CO., INC.

Jack R. Jones, Jr.
Owner

JRJ/cmc

c: G. D. Sears
W. A. Martin
M. R. Ghormley
Joe Hollier
Bob Griffin
Irvin Brown